

TENNESSEE GENERAL ASSEMBLY  
FISCAL REVIEW COMMITTEE



FISCAL MEMORANDUM

HB 1698 – SB 1784

April 2, 2018

**SUMMARY OF ORIGINAL BILL:** Prohibits a person convicted of driving under the influence (DUI) from purchasing alcohol for a period of time based on prior DUI convictions with lifetime forfeiture after the third and subsequent convictions. Establishes a new driver license format for a person subject to alcohol purchase restriction. Creates a new Class C misdemeanor offense for unlawful purchase of alcohol by a DUI offender or the knowing sale of alcohol to persons subject to alcohol purchase restrictions.

FISCAL IMPACT OF ORIGINAL BILL:

Increase State Expenditures - \$165,000/One-Time/Department of Safety

**SUMMARY OF AMENDMENT (016416):** Deletes and rewrites all language after the enacting clause such that the only substantive changes are as follows: (1) removes lifetime forfeiture after the third or subsequent convictions and replaces it with six-year and eight-year forfeiture for third and fourth or subsequent offenses respectively; (2) requires a person issued a driver license, including any restricted driver license, to pay an additional reinstatement fee of \$15 during the period of the forfeiture; (3) deletes the new Class C misdemeanor for selling alcohol to persons subject to alcohol restrictions; (4) increases the restricted driver license fee from \$65 to \$85, effective January 1, 2019, and decreases such fee to \$65, effective January 1, 2020; (5) effective January 1, 2019, authorizes a judge to prohibit the consumption of alcohol as a condition of probation for alcohol and drug related offenders; and (6) changes the effective date for all other provisions from July 1, 2018, to January 1, 2020.

FISCAL IMPACT OF BILL WITH PROPOSED AMENDMENT:

Increase State Revenue – \$63,600/FY18-19/Department of Safety  
\$111,000/FY19-20/Department of Safety  
\$94,700/FY20-21 and Subsequent Years/  
Department of Safety

Increase State Expenditures – \$165,000/FY19-20/Department of Safety

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Assumptions for the bill as amended:

- The Department of Safety (DOS) executed a contract with a third party vendor that contains a provision that allows up to two card changes per year at no additional cost. However, DOS confirms that they have reached the maximum limit of changes for this current contract which will last through FY18-19.
- Based on the information provided by the DOS, the proposed legislation would require DOS to update and reprogram its driver's license system. In addition, DOS would require a card change to identify a person who is prohibited from the purchase of alcohol. The driver's license system updates, reprogramming, and card change updates is estimated to be \$165,000 as quoted by the vendor.
- The proposed amendment will result in an effective date change of January 1, 2020.
- The one-time increase in state expenditures to DOS is estimated to be \$165,000 in FY19-20.
- Based on information provided by DOS, there is an average of 6,363 restricted driver licenses issued annually.
- Increasing the restricted driver license fee from \$65 to \$85 will result in an increase in revenue of \$20 (\$85 - \$65) per restricted driver license.
- An effective date for the fee increase of January 1, 2019.
- The annual increase in state revenue for DOS is estimated to be \$127,260 (6,363 x \$20).
- The effective date change will result in a half-year impact in FY18-19. Therefore, the increase in state revenue to the DOS in FY18-19 is estimated to be \$63,630 (\$127,260 x 50%).
- The restricted driver license fee will be reduced back to \$65 on January 1, 2020; therefore, there will be a half-year impact in FY19-20. Therefore, the increase in state revenue to DOS in FY19-20 is estimated to be \$63,630 (\$127,260 x 50%).
- The proposed legislation will require a person issued a driver license, including any restricted driver license, to pay an additional reinstatement fee of \$15 during the period of the forfeiture.
- Based on the information provided by DOS, an average of 6,316 drivers per year will be required to pay an additional reinstatement fee of \$15 as a result of the proposed legislation.
- The recurring increase in state revenue to the DOS is estimated to be \$94,740 (6,316 drivers x \$15).
- The proposed effective date of January 1, 2020, will result in a half-year impact in FY19-20. Therefore, the increase in state revenue to the DOS in FY19-20 is estimated to be \$47,370 (\$94,740 x 50%).
- The total increase in state revenue to the DOS in FY19-20 is estimated to be \$111,000 (\$63,630 + \$47,370).
- The recurring increase in state revenue to the DOS in FY20-21 and subsequent years is estimated to be \$94,740.
- Any recurring printing expenditures for the DOS as a result of this legislation will not be significantly different than printing expenditures associated with restricted licenses, photo identifications, and reinstatement of a driver license under current law.

- Any decrease in state and local tax revenue as a result of such offenders being prohibited from purchasing alcohol cannot be reasonably determined; however, any net impact on tax revenue is estimated to be not significant.

**CERTIFICATION:**

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in blue ink that reads "Krista M. Lee". The signature is written in a cursive, flowing style.

Krista M. Lee, Executive Director

/rbp